

**MINUTES OF THE
BUDGET COMMITTEE**

WEDNESDAY, FEBRUARY 13, 2008

At a meeting of the **Budget Committee**, held Wednesday, February 13, 2008, in the Board Room, on the 9th Floor of the Administration Building, Mount Clemens, the following members were present:

Brown-Chair, Brdak, Bruley, Camphous-Peterson, Crouchman, DeSaele, Doherty, Drolet, Duzyj, D. Flynn, J. Flynn, Gielegghem, Haggerty, Lund, Mijac, Rengert, Roberts, Rocca, Sauger, Slinde, Switalski, Tocco, Torrice and Vosburg.

Absent and excused were DiMaria and Szczepanski.

There being a quorum of the committee present, Chair Brown called the meeting to order at 10:12 a.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA

MOTION

A motion was made by Duzyj, supported by Torrice, to adopt the agenda, as amended (to include items #3A, #7A, and #7B). **The Motion Carried.**

MINUTES

MOTION

A motion was made by Haggerty, supported by Torrice, to approve the January 8, 2008 (special meeting) minutes of this committee, as written. **The Motion Carried.**

RECEIVE AND FILE PRESENTATION ON EQUIPMENT MAINTENANCE MANAGEMENT PROGRAM

Present were Mr. Joe Rakowiecki from McNish Group and Mr. Greg Buhr from Specialty Underwriters Group.

A double-sided document entitled, Cost Reduction Services was distributed.

Mr. Buhr gave a PowerPoint presentation entitled, SU Group LLC – Equipment Maintenance Management – Executive Overview. Key topics covered included: The Equipment Maintenance Managers Program Overview, Program Objectives, Estimated Annual Maintenance Contracts Total \$1,000,000 for Selected Equipment Group, Eligible Equipment, Comparative Analysis, TELESERVE Services, Inventory / Service Call / Invoice Processing, Sample Reports, Company Overview (Manufacturers Serviced and Sample Customer List), and What's Next (Establishing Current Maintenance Expense Baseline).

Mr. Buhr stated that when they take a look at a county such as Macomb County, typically they will find anywhere between one to two million dollars in expenditures that they will guarantee a 20-25% savings on. They do not service any equipment; they simply manage the process. Their analysis would be done at no charge and then they would come back and make recommendations on what would work for the county. Inquiry was made if they would come in and tag everything and if it would be done for free. Mr. Buhr said that this is free, once the county becomes a customer.

Inquiry was made if this would include two-way communications. Mr. Buhr replied, yes. Inquiry was made if there was anything that would not be covered. Mr. Buhr said that they do not cover software, they would not look at HVAC systems, and they do not do elevators. Inquiry was made as to what would happen to the county's existing contracts and if they enhance the actual contracts that the county is engaged in. Mr. Buhr answered these inquiries.

Inquiry was made if Ms. Zerkowski knew anything about this program, because some of the IT Department's contracts are probably some of the largest in the county for computers, maintenance, and so forth. Ms. Zerkowski answered this inquiry. She noted that they, in effect, follow the same concept, because they do not have maintenance agreements like on PC's. Instead, as parts break they basically just keep a supply of the materials and then they replace them.

Mr. Diegel said that he spoke with Kalamazoo County and they said they have been with this company for five or six years and they are saving about 14-17% a year.

MOTION

A motion was made by Bruley, supported by Joan Flynn, to have a committee consisting of the Finance Director, Risk Manager, Corporation Counsel, IT Director, and Purchasing Manager look at the Equipment Maintenance Management Program from their specific points of view and to have each of them contact (with their area of expertise) between three and five separate entities that have contracted, to do the due diligence so commissioners get a pretty wide survey of what this is and if this could benefit Macomb County. Further, to report their findings back to the Budget Committee. **The Motion Carried.**

**RECOMMENDATION FROM JUSTICE AND PUBLIC SAFETY COMMITTEE MEETING
OF 01-14-08**

Approve DMJM, Inc. for Jail Lock Control System Consulting

Chair Brown indicated that the money for this request would come from the Capital Projects budget.

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY RENGERT, SUPPORTED BY CAMPHOUS-PETERSON, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE DMJM, INC. FOR JAIL LOCK CONTROL SYSTEM CONSULTING. THE COST FOR THIS PROJECT IS \$47,000. FUNDING IS AVAILABLE IN THE CAPITAL PROJECTS BUDGET.

Ms. Michelle Sanborn gave an overview of this request. After the presentation, questions were directed to Mr. Diegel and Ms. Sanborn.

Chair Brown called for a vote on the motion and **THE MOTION CARRIED.**

**RECOMMENDATION FROM LEGISLATIVE AND ADMINISTRATIVE SERVICES
COMMITTEE MEETING OF 02-04-08**

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY VOSBURG, SUPPORTED BY RENGERT, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS CONCUR IN THE RECOMMENDATION OF THE IT DIRECTOR AND APPROVE SPENDING REDUCTIONS IN THE AMOUNT OF \$5,150 IN THE TELECOMMUNICATIONS BUDGET, AS OUTLINED IN CORRESPONDENCE DATED FEBRUARY 1, 2008 FROM THE IT DIRECTOR. **THE MOTION CARRIED.**

RECOMMENDATION FROM HEALTH SERVICES COMMITTEE MEETING OF 02-07-08

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY BRDAK, SUPPORTED BY HAGGERTY, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE PAYMENT OF \$40,000 TO THE CITY OF NEW BALTIMORE FROM THE ENVIRONMENTAL PROBLEMS: LAKE/RIVER FUND FOR THE UPGRADE TO THE WASTE WATER TREATMENT PLANT. **THE MOTION CARRIED.**

APPROPRIATE ADDITIONAL \$800 TO THE 2008 NACo AWARD APPLICATION ALLOCATION (Item waived by Planning and Economic Development Committee Chair)

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY VOSBURG, SUPPORTED BY CAMPHOUS-PETERSON, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROPRIATE AN ADDITIONAL \$800 TO THE 2008 NACo AWARD APPLICATION ALLOCATION BASED ON THE NUMBER OF APPLICATIONS TO BE SUBMITTED. FUNDING IS AVAILABLE IN THE 2008 CONTINGENCY ACCOUNT.

Several commissioners were upset that they have not been made aware that the county is paying \$50 for every application that we made to NACo for these awards.

Chair Brown called for a vote on the motion and **THE MOTION CARRIED WITH BRDAK, BRULEY, DOHERTY, DAVID FLYNN, MIJAC, ROBERTS, SWITALSKI, TOCCO AND TORRICE VOTING “NO.”**

APPROVE REQUEST OF PROSECUTING ATTORNEY AND APPROPRIATE \$25,000 TO COVER THE ADDITIONAL COST IN THE PROSECUTION IN THE STEVEN GRANT CASE

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY GIELEGHEM, SUPPORTED BY ROCCA, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS APPROVE THE REQUEST OF THE PROSECUTING ATTORNEY AND APPROPRIATE \$25,000 TO COVER THE ADDITIONAL COST IN THE PROSECUTION IN THE STEVEN GRANT CASE. FUNDS ARE AVAILABLE IN THE 2007 CONTINGENCY ACCOUNT.

Commissioner Tocco indicated that she needed to abstain from this vote. She represented Mr. Grant's family in the custody battle.

Chair Brown called for a vote on the motion and **THE MOTION CARRIED WITH TOCCO “ABSTAINING.”**

ADOPT 2008 – 2012 5-YEAR CAPITAL IMPROVEMENT PROGRAM

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY HAGGERTY, SUPPORTED BY RENGERT, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS ADOPT THE 2008 – 2012 5-YEAR CAPITAL IMPROVEMENT PROGRAM.

Mr. Diegel referred to information that was provided in committee packets and gave a brief overview. After the presentation, questions were directed to Mr. Diegel.

Referring to Schedule I, Commissioner Bruley offered the following **amendment**:

AMENDMENT

A MOTION WAS MADE BY BRULEY, SUPPORTED BY MIJAC, TO DELETE THE PRINTING AND MAILING OF THE ANNUAL REPORT AND TO JUST HAVE IT ONLINE.

Some commissioners recalled that action was already taken at the December 2007 meeting of the Budget Committee to not print and mail the Annual Report and to just have it online. During discussion, Mr. Diegel suggested a motion to confirm that. (See above amendment.) It was clarified that Schedule I would be reduced by \$450,000, based on the amendment that was on the floor.

Chair Brown called for a vote on the **amendment** and **THE MOTION CARRIED.**

Chair Brown called for a vote on the **main motion, as amended**, and **THE MOTION CARRIED.**

RECEIVE AND FILE 2007 CONTINGENCY REPORT UPDATE

MOTION

A motion was made by Sauger, supported by Rengert, to receive and file the 2007 Contingency Report Update. **The Motion Carried.**

ADJOURNMENT

MOTION

A motion was made by Duzyj supported by DeSaele, to adjourn the meeting at 11:10 a.m. **The Motion Carried.**

Denise M. Jacks
Committee Reporter